

**AGENDA OF A REGULAR MEETING - SUCCESSOR AGENCY TO THE  
COMMUNITY DEVELOPMENT COMMISSION AS THE NATIONAL CITY  
REDEVELOPMENT AGENCY**



**COUNCIL CHAMBERS  
CIVIC CENTER  
1243 National City Blvd.  
National City, California**

**TUESDAY, JUNE 20, 2017 – 6:00 PM**

**RON MORRISON**  
*Chairman*

**JERRY CANO**  
*Boardmember*

**ALBERT MENDIVIL**  
*Boardmember*

**MONA RIOS**  
*Boardmember*

**ALEJANDRA SOTELO-SOLIS**  
*Boardmember*

**1243 National City Blvd.  
National City  
619-336-4240**

**Meeting agendas and  
minutes available on web**

**WWW.NATIONALCITYCA.GOV**

**ORDER OF BUSINESS:** Public sessions of all Regular Meetings of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency begin at 6:00 p.m. on the first and third Tuesday of each month. Public hearings begin at 6:00 p.m. unless otherwise noted. Closed Sessions begin at 5:00 p.m. or such other time as noted on the agenda. If a workshop is scheduled, the subject and time of the workshop will appear on the agenda.

**REPORTS:** All regular meeting agenda items and reports as well as all documents and writings distributed to the Board less than 72 hours prior to the meeting, are available for review at the entry to the Council Chambers. Regular Meetings of the Board are webcast and archived on the City's website [www.nationalcityca.gov](http://www.nationalcityca.gov).

**PUBLIC COMMENTS:** Prior to the Business portion of the agenda, the Board will receive public comments regarding any matters within the jurisdiction of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency. Members of the public may also address any item on the agenda at the time the item is considered by the Board. Persons who wish to address the Board are requested to fill out a "Request to Speak" form available at the entrance to the City Council Chambers, and turn in the completed form to the City Clerk. The Chairperson will separately call for testimony of those persons who have turned in a "Request to Speak" form. If you wish to speak, please step to the podium at the appropriate time and state your name and address (optional) for the record. The time limit established for public testimony is three minutes per speaker unless a different time limit is announced. Speakers are encouraged to be brief. The Chairperson may limit the length of comments due to the number of persons wishing to speak or if comments become repetitious or irrelevant.

**WRITTEN AGENDA:** With limited exceptions, the Board may take action only upon items appearing on the written agenda. Items not appearing on the agenda must be brought back on a subsequent agenda unless they are of a demonstrated emergency or urgent nature, and the need to take action on such items arose after the agenda was posted.

**CONSENT AGENDA:** Consent calendar items involve matters which are of a routine or noncontroversial nature. All consent items are adopted by approval of a single motion by the City Council. Prior to such approval, any item may be removed from the consent portion of the agenda and separately considered, upon request of a Councilmember, a staff member, or a member of the public.

Upon request, this agenda can be made available in appropriate alternative formats to persons with a disability in compliance with the Americans with Disabilities Act. Please contact the City Clerk's Office at (619) 336-4228 to request a disability-related modification or accommodation. Notification 24-hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

*Spanish audio interpretation is provided during Board Meetings. Audio headphones are available in the lobby at the beginning of the meeting.*

*Audio interpretación en español se proporciona durante sesiones del Consejo Municipal. Los audiófonos están disponibles en el pasillo al principio de la junta.*

**THE BOARD REQUESTS THAT ALL CELL PHONES AND PAGERS BE TURNED OFF DURING BOARD MEETINGS.**

## **SUCCESSOR AGENCY AGENDA**

### **CALL TO ORDER**

### **ROLL CALL**

### **PUBLIC COMMENTS (THREE-MINUTE TIME LIMIT)**

### **CONSENT CALENDAR**

1. [Approval of the Minutes of the Regular Meeting of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency of May 16, 2017. \(City Clerk\)](#)
2. [Resolution of the Successor Agency to the Community Development Commission of the City of National City as the National City Redevelopment Agency authorizing the Chairman to execute an Agreement with EnSafe, Inc. \(who recently acquired E2 ManageTech, Inc.\) in the amount of \\$200,000 to assist staff with obtaining regulatory approvals and implementation of the Property Mitigation Plan for environmental remediation of the Westside Infill Transit Oriented Development \(WI-TOD\) Project site located at 2100 and 2020 Hoover Avenue, and future Park site development located on the west side of Paradise Creek, pursuant to the City's obligation to the former redevelopment agency to carry out the Disposition and Development Agreement by and between the Community Development Commission of the City of National City and Paradise Creek Housing Partners, LP. \(Housing & Economic Development\)](#)
3. [Investment transactions for the month ended April 30, 2017. \(Finance\)](#)
4. [Successor Agency Warrant Register #44 for the period of 04/26/17 through 05/02/17 in the amount of \\$6,862.83. \(Finance\)](#)
5. [Successor Agency Warrant Register #45 for the period of 05/03/17 through 05/09/17 in the amount of \\$0.00. \(Finance\)](#)
6. [Successor Agency Warrant Register #46 for the period of 05/10/17 through 05/16/17 in the amount of \\$1,500.00. \(Finance\)](#)

### **PUBLIC HEARINGS**

### **NON CONSENT RESOLUTIONS**

7. [Resolution of the Board of Directors of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency authorizing the issuance and sale of tax allocation refunding bonds in an amount of not to exceed \\$58,000,000 and approving the form of an indenture of trust, a form of escrow agreement and a continuing disclosure certificate and authorizing certain other actions in connection therewith. \(Successor Agency\)](#)

**NEW BUSINESS**

**STAFF REPORTS**

**MEMBER REPORTS**

**CLOSED SESSION REPORT**

**ADJOURNMENT**

Adjourned Regular Meeting of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency - Tuesday - August 1, 2017 - 5:00 p.m. - Council Chambers - National City, California. (Adjourned Regular Meeting of the Successor Agency to start at 5:00 p.m. due to the "National Night Out Event")

The following page(s) contain the backup material for Agenda Item: Approval of the Minutes of the Regular Meeting of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency of May 16, 2017. (City Clerk)

Item #\_\_\_\_  
06/20/17

**APPROVAL OF THE MINUTES OF THE  
REGULAR MEETING OF THE SUCCESSOR  
AGENCY TO THE COMMUNITY DEVELOPMENT  
COMMISSION AS THE NATIONAL CITY  
REDEVELOPMENT AGENCY OF MAY 16, 2017.**

(City Clerk)

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**MINUTES OF THE REGULAR MEETING OF THE  
SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT  
COMMISSION AS THE NATIONAL CITY REDEVELOPMENT AGENCY**

**MAY 16, 2017**

The Regular Meeting of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency was called to order at 9:33 p.m. by Chairman Ron Morrison.

**ROLL CALL**

Board members present: Cano, Mendivil, Morrison, Rios, Sotelo-Solis.

Board members absent: None

Administrative Officials present: Dalla, Deese, Raulston.

**CONSENT CALENDAR**

**ADOPTION OF CONSENT CALENDAR.** Item No. 1 (Minutes), Item Nos. 2 and 3 (Warrant Registers). Motion by Sotelo-Solis, seconded by Cano, to approve the Consent Calendar. Carried by unanimous vote.

**APPROVAL OF MINUTES**

1. Approval of the Minutes of the Regular Meeting of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency of May 2, 2017. (City Clerk)

**ACTION:** Approved. See above.

**SUCCESSOR AGENCY 2017 (406-10-15)**

2. Successor Agency Warrant Register #40 for the period of 03/29/17 through 04/04/17 in the amount of \$4,610.00. (Finance)

**ACTION:** Approved. See above.

**SUCCESSOR AGENCY 2017 (406-10-15)**

3. Successor Agency Warrant Register #41 for the period of 04/05/17 through 04/11/17 in the amount of \$968.97. (Finance)

**ACTION:** Approved. See above.

## NON CONSENT RESOLUTIONS

### SUCCESSOR AGENCY 2017 (406-10-15)

4. Resolution No. 2017-88. RESOLUTION OF THE SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION AS THE NATIONAL CITY REDEVELOPMENT AGENCY APPROVING A PROPOSED ADMINISTRATIVE BUDGET OF \$153,805 FOR RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) 17-18A (JULY 1, 2017 THROUGH DECEMBER 31, 2017) AND \$153,805 FOR ROPS 17-18B (JANUARY 1, 2018 THROUGH JUNE 30, 2018). (Successor Agency)

**RECOMMENDATION:** Adopt the Resolution approving the administrative budget and direct staff to submit it to the Oversight Board.

**TESTIMONY:** None

**ACTION:** Motion by Sotelo-Solis, seconded by Mendivil to adopt the Resolution. Carried by the following vote, to-wit: Ayes: Cano, Mendivil, Morrison, Rios, Sotelo-Solis. Nays: None. Abstain: None. Absent: None.

### CLOSED SESSION

There was no Closed Session.

### ADJOURNMENT

Motion by Sotelo-Solis, seconded by Cano, to adjourn the meeting to the next Regular Meeting of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency to be held Tuesday, June 6, 2017, 6:00 p.m., Council Chambers, National City, California. Carried by unanimous vote.

The meeting closed at 9:34 p.m.

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Secretary

The foregoing minutes were approved at the Regular Meeting of June 20, 2017.

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Chairman

The following page(s) contain the backup material for Agenda Item: Resolution of the Successor Agency to the Community Development Commission of the City of National City as the National City Redevelopment Agency authorizing the Chairman to execute an Agreement with EnSafe, Inc. (who recently acquired E2 ManageTech, Inc.

**CITY OF NATIONAL CITY, CALIFORNIA  
SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION  
AS THE NATIONAL CITY REDEVELOPMENT AGENCY  
AGENDA STATEMENT**

**MEETING DATE:** June 20, 2017

**AGENDA ITEM NO.**

**ITEM TITLE:**

Resolution of the Successor Agency to the Community Development Commission of the City of National City as the National City Redevelopment Agency authorizing the Chairman to execute an Agreement with EnSafe, Inc. (who recently acquired E2 ManageTech, Inc.) in the amount of \$200,000 to assist staff with obtaining regulatory approvals and implementation of the Property Mitigation Plan for environmental remediation of the Westside Infill Transit Oriented Development (WI-TOD) Project site located at 2100 and 2020 Hoover Avenue, and future Park site development located on the west side of Paradise Creek, pursuant to the City's obligation to the former redevelopment agency to carry out the Disposition and Development Agreement by and between the Community Development Commission of the City of National City and Paradise Creek Housing Partners, LP.

**PREPARED BY:** Carlos Aguirre, Housing and Econ. Dev. Mgr.

**DEPARTMENT:** Housing and Economic Development

**PHONE:** 619-336-4391

**EXPLANATION:**

**APPROVED BY:** \_\_\_\_\_

Please see Attachment No. 1

**FINANCIAL STATEMENT:**

**APPROVED:** \_\_\_\_\_ **Finance**

Funding has been appropriated as line items through the Recognized Obligation Payment Schedule for 2016-2017 and 2017-2018

**ACCOUNT NO.**

**ENVIRONMENTAL REVIEW:**

Approval of the contract is not a "Project" under section 15378 of the California Environmental Quality Act ("CEQA") Guidelines because the proposed action consists of administrative activity that will not result in direct or indirect physical changes to the environment and, as such, pursuant to section 15061(b)(3) of the CEQA Guidelines is not subject to CEQA.

**ORDINANCE:** INTRODUCTION:

**FINAL ADOPTION:**

**STAFF RECOMMENDATION:** Adopt the resolution.

Adopt the Resolution.

**BOARD / COMMISSION RECOMMENDATION:**

**ATTACHMENTS:**

1. Background
2. Agreement
3. Resolution

**AGREEMENT  
BY AND BETWEEN  
THE CITY OF NATIONAL CITY  
AND  
ENSAFE, INC.**

THIS AGREEMENT is entered into on this 20th day of June, 2017, by and between the TO THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF NATIONAL CITY AS THE NATIONAL CITY SUCCESSOR AGENCY , a municipal corporation (the "SUCCESSOR AGENCY"), and ENSAFE, INC., a corporation (the "CONSULTANT").

**R E C I T A L S**

WHEREAS, the SUCCESSOR AGENCY desires to employ a CONSULTANT to provide environmental engineering, site investigations and remediation support services to assist staff with obtaining final regulatory approvals and implementation of the Property Mitigation Plan for environmental remediation of the Westside Infill Transit Oriented Development (WI-TOD) / Paradise Creek Park redevelopment area in National City, pursuant to the Disposition and Development Agreement by and between the Community Development Commission of the City of National City and Paradise Creek Housing Partners, LP.

WHEREAS, the CITY has determined that the CONSULTANT is an environmental services firm and is qualified by experience and ability to perform the services desired by the SUCCESSOR AGENCY, and the CONSULTANT is willing to perform such services.

NOW, THEREFORE, THE PARTIES HERETO DO MUTUALLY AGREE AS FOLLOWS:

1. **ENGAGEMENT OF CONSULTANT.** The SUCCESSOR AGENCY agrees to engage the CONSULTANT to provide environmental engineering, site investigations and remediation support services for the (WI-TOD) / Paradise Creek Park redevelopment area in National City, and the CONSULTANT agrees to perform the services set forth here in accordance with all terms and conditions contained herein.

The CONSULTANT represents that all services shall be performed directly by the CONSULTANT or under direct supervision of the CONSULTANT.

2. **EFFECTIVE DATE AND LENGTH OF AGREEMENT.** This Agreement will become effective on February 21, 2017. The duration of this Agreement is for the period of February 21, 2017 through June 30, 2018. This Agreement may be extended by mutual agreement upon the same terms and conditions for an additional one (1) year term. The Parties may exercise up to three one-year extensions. Any extension of this Agreement must be approved in writing by the City Council.

3. **SCOPE OF SERVICES.** The CONSULTANT will perform services as set forth in the attached Exhibit "A".

The CONSULTANT shall be responsible for all research and reviews related to the work and shall not rely on personnel of the SUCCESSOR AGENCY for such services, except as authorized in advance by the SUCCESSOR AGENCY. The CONSULTANT shall keep staff and City Council advised of the progress on the project.

The SUCCESSOR AGENCY may unilaterally, or upon request from the CONSULTANT, from time to time reduce or increase the Scope of Services to be performed by the CONSULTANT under this Agreement. Upon doing so, the SUCCESSOR AGENCY and the CONSULTANT agree to meet in good faith and confer for the purpose of negotiating a corresponding reduction or increase in the compensation associated with said change in services.

4. **PROJECT COORDINATION AND SUPERVISION.** Stephen Manganiello, Director of Public Works / City Engineer, hereby is designated as the Project Coordinator for the SUCCESSOR AGENCY and will monitor the progress and execution of this Agreement. The CONSULTANT shall assign a single Project Director to provide supervision and have overall responsibility for the progress and execution of this Agreement for the CONSULTANT. Daryl Hernandez, Principal, thereby is designated as the Project Director for the CONSULTANT.

5. **COMPENSATION AND PAYMENT.** The compensation for the CONSULTANT shall be based on monthly billings covering actual work performed. Billings shall include labor classifications, respective rates, hours worked and also materials, if any. The total cost for all work described in Exhibit "A" shall not exceed \$200,000. The compensation for the CONSULTANT'S work shall not exceed the rates set forth in Exhibit "A". Monthly invoices will be processed for payment and remitted within thirty (30) days from receipt of invoice, provided that work is accomplished consistent with Exhibit "A", as determined by the SUCCESSOR AGENCY.

The CONSULTANT shall maintain all books, documents, papers, employee time sheets, accounting records, and other evidence pertaining to costs incurred, and shall make such materials available at its office at all reasonable times during the term of this Agreement and for three (3) years from the date of final payment under this Agreement, for inspection by the SUCCESSOR AGENCY, and for furnishing of copies to the SUCCESSOR AGENCY, if requested.

6. **ACCEPTABILITY OF WORK.** The SUCCESSOR AGENCY shall decide any and all questions which may arise as to the quality or acceptability of the services performed and the manner of performance, the acceptable completion of this Agreement, and the amount of compensation due. In the event the CONSULTANT and the SUCCESSOR AGENCY cannot agree to the quality or acceptability of the work, the manner of performance and/or the compensation payable to the CONSULTANT in this Agreement, the SUCCESSOR AGENCY or the CONSULTANT shall give to the other written notice. Within ten (10) business days, the CONSULTANT and the SUCCESSOR AGENCY shall each prepare a report which supports their position and file the same with the other party. The SUCCESSOR AGENCY shall, with reasonable diligence, determine the quality or acceptability of the work, the manner of performance and/or the compensation payable to the CONSULTANT.

7. **DISPOSITION AND OWNERSHIP OF DOCUMENTS.** The Memoranda, Reports, Maps, Drawings, Plans, Specifications, and other documents prepared by the CONSULTANT for this project, whether paper or electronic, shall become the property of the

SUCCESSOR AGENCY for use with respect to this project, and shall be turned over to the SUCCESSOR AGENCY upon completion of the project, or any phase thereof, as contemplated by this Agreement.

Contemporaneously with the transfer of documents, the CONSULTANT hereby assigns to the SUCCESSOR AGENCY, and CONSULTANT thereby expressly waives and disclaims any copyright in, and the right to reproduce, all written material, drawings, plans, specifications, or other work prepared under this Agreement, except upon the SUCCESSOR AGENCY'S prior authorization regarding reproduction, which authorization shall not be unreasonably withheld. The CONSULTANT shall, upon request of the SUCCESSOR AGENCY, execute any further document(s) necessary to further effectuate this waiver and disclaimer.

The CONSULTANT agrees that the SUCCESSOR AGENCY may use, reuse, alter, reproduce, modify, assign, transfer, or in any other way, medium, or method utilize the CONSULTANT'S written work product for the SUCCESSOR AGENCY'S purposes, and the CONSULTANT expressly waives and disclaims any residual rights granted to it by Civil Code Sections 980 through 989 relating to intellectual property and artistic works.

Any modification or reuse by the SUCCESSOR AGENCY of documents, drawings, or specifications prepared by the CONSULTANT shall relieve the CONSULTANT from liability under Section 14, but only with respect to the effect of the modification or reuse by the SUCCESSOR AGENCY, or for any liability to the SUCCESSOR AGENCY should the documents be used by the SUCCESSOR AGENCY for some project other than what was expressly agreed upon within the Scope of Services of this project, unless otherwise mutually agreed.

8. **INDEPENDENT CONTRACTOR.** Both parties hereto in the performance of this Agreement will be acting in an independent capacity and not as agents, employees, partners, or joint venturers with one another. Neither the CONSULTANT nor the CONSULTANT'S employees are employees of the SUCCESSOR AGENCY, and are not entitled to any of the rights, benefits, or privileges of the SUCCESSOR AGENCY'S employees, including but not limited to retirement, medical, unemployment, or workers' compensation insurance.

This Agreement contemplates the personal services of the CONSULTANT and the CONSULTANT'S employees, and it is recognized by the parties that a substantial inducement to the SUCCESSOR AGENCY for entering into this Agreement was, and is, the professional reputation and competence of the CONSULTANT and its employees. Neither this Agreement nor any interest herein may be assigned by the CONSULTANT without the prior written consent of the SUCCESSOR AGENCY. Nothing herein contained is intended to prevent the CONSULTANT from employing or hiring as many employees, or SUBCONSULTANTS, as the CONSULTANT may deem necessary for the proper and efficient performance of this Agreement. All agreements by CONSULTANT with its SUBCONSULTANT(S) shall require the SUBCONSULTANT(S) to adhere to the applicable terms of this Agreement.

9. **CONTROL.** Neither the SUCCESSOR AGENCY nor its officers, agents, or employees shall have any control over the conduct of the CONSULTANT or any of the CONSULTANT'S employees, except as herein set forth, and the CONSULTANT or the CONSULTANT'S agents, servants, or employees are not in any manner agents, servants, or employees of the SUCCESSOR AGENCY, it being understood that the CONSULTANT its

agents, servants, and employees are as to the SUCCESSOR AGENCY wholly independent CONSULTANT, and that the CONSULTANT'S obligations to the SUCCESSOR AGENCY are solely such as are prescribed by this Agreement.

10. **COMPLIANCE WITH APPLICABLE LAW.** The CONSULTANT, in the performance of the services to be provided herein, shall comply with all applicable state and federal statutes and regulations, and all applicable ordinances, rules, and regulations of the City of National City, whether now in force or subsequently enacted. The CONSULTANT and each of its SUBCONSULTANT(S), shall obtain and maintain a current City of National City business license prior to and during performance of any work pursuant to this Agreement.

11. **LICENSES, PERMITS, ETC.** The CONSULTANT represents and covenants that it has all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice its profession. The CONSULTANT represents and covenants that the CONSULTANT shall, at its sole cost and expense, keep in effect at all times during the term of this Agreement, any license, permit, or approval which is legally required for the CONSULTANT to practice its profession.

12. **STANDARD OF CARE.**

A. The CONSULTANT, in performing any services under this Agreement, shall perform in a manner consistent with that level of care and skill ordinarily exercised by members of the CONSULTANT'S trade or profession currently practicing under similar conditions and in similar locations. The CONSULTANT shall take all special precautions necessary to protect the CONSULTANT'S employees and members of the public from risk of harm arising out of the nature of the work and/or the conditions of the work site.

B. Unless disclosed in writing prior to the date of this Agreement, the CONSULTANT warrants to the SUCCESSOR AGENCY that it is not now, nor has it for the five (5) years preceding, been debarred by a governmental agency or involved in debarment, arbitration or litigation proceedings concerning the CONSULTANT'S professional performance or the furnishing of materials or services relating thereto.

C. The CONSULTANT is responsible for identifying any unique products, treatments, processes or materials whose availability is critical to the success of the project the CONSULTANT has been retained to perform, within the time requirements of the SUCCESSOR AGENCY, or, when no time is specified, then within a commercially reasonable time. Accordingly, unless the CONSULTANT has notified the SUCCESSOR AGENCY otherwise, the CONSULTANT warrants that all products, materials, processes or treatments identified in the project documents prepared for the SUCCESSOR AGENCY are reasonably commercially available. Any failure by the CONSULTANT to use due diligence under this sub-paragraph will render the CONSULTANT liable to the SUCCESSOR AGENCY for any increased costs that result from the SUCCESSOR AGENCY'S later inability to obtain the specified items or any reasonable substitute within a price range that allows for project completion in the time frame specified or, when not specified, then within a commercially reasonable time.

13. **NON-DISCRIMINATION PROVISIONS.** The CONSULTANT shall not discriminate against any employee or applicant for employment because of age, race, color, ancestry, religion, sex, sexual orientation, marital status, national origin, physical handicap, or medical condition. The CONSULTANT will take positive action to insure that applicants are

employed without regard to their age, race, color, ancestry, religion, sex, sexual orientation, marital status, national origin, physical handicap, or medical condition. Such action shall include but not be limited to the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The CONSULTANT agrees to post in conspicuous places available to employees and applicants for employment any notices provided by the SUCCESSOR AGENCY setting forth the provisions of this non-discrimination clause.

14. **CONFIDENTIAL INFORMATION.** The SUCCESSOR AGENCY may from time to time communicate to the CONSULTANT certain confidential information to enable the CONSULTANT to effectively perform the services to be provided herein. The CONSULTANT shall treat all such information as confidential and shall not disclose any part thereof without the prior written consent of the SUCCESSOR AGENCY. The CONSULTANT shall limit the use and circulation of such information, even within its own organization, to the extent necessary to perform the services to be provided herein. The foregoing obligation of this Section 14, however, shall not apply to any part of the information that (i) has been disclosed in publicly available sources of information; (ii) is, through no fault of the CONSULTANT, hereafter disclosed in publicly available sources of information; (iii) is already in the possession of the CONSULTANT without any obligation of confidentiality; or (iv) has been or is hereafter rightfully disclosed to the CONSULTANT by a third party, but only to the extent that the use or disclosure thereof has been or is rightfully authorized by that third party.

The CONSULTANT shall not disclose any reports, recommendations, conclusions or other results of the services or the existence of the subject matter of this Agreement without the prior written consent of the SUCCESSOR AGENCY. In its performance hereunder, the CONSULTANT shall comply with all legal obligations it may now or hereafter have respecting the information or other property of any other person, firm or corporation.

CONSULTANT shall be liable to SUCCESSOR AGENCY for any damages caused by breach of this condition, pursuant to the provisions of Section 14.

15. **INDEMNIFICATION AND HOLD HARMLESS.** The CONSULTANT agrees to defend, indemnify, and hold harmless the City of National City, its officers, officials, agents, employees, and volunteers against and from any and all liability, loss, damages to property, injuries to, or death of any person or persons, and all claims, demands, suits, actions, proceedings, reasonable attorneys' fees, and defense costs, of any kind or nature, including workers' compensation claims, of or by anyone whomsoever, resulting from or arising out of the CONSULTANT'S negligent performance of this Agreement. SUCCESSOR AGENCY will cooperate reasonably in the defense of any action, and CONSULTANT shall employ competent counsel, reasonably acceptable to the City Attorney.

The indemnity, defense and hold harmless obligations contained herein shall survive the termination of this Agreement for any alleged or actual omission, act, or negligence under this Agreement that occurred during the term of this Agreement.

16. **WORKERS' COMPENSATION.** The CONSULTANT shall comply with all of the provisions of the Workers' Compensation Insurance and Safety Acts of the State of California, the applicable provisions of Division 4 and 5 of the California Government Code and all amendments thereto; and all similar State or federal acts or laws applicable; and shall

indemnify, and hold harmless the SUCCESSOR AGENCY and its officers, employees, and volunteers from and against all claims, demands, payments, suits, actions, proceedings, and judgments of every nature and description, including reasonable attorney's fees and defense costs presented, brought or recovered against the SUCCESSOR AGENCY or its officers, employees, or volunteers, for or on account of any liability under any of said acts which may be incurred by reason of any work to be performed by the CONSULTANT under this Agreement.

17. **INSURANCE.** The CONSULTANT, at its sole cost and expense, shall purchase and maintain, and shall require its SUBCONSULTANT(S), when applicable, to purchase and maintain throughout the term of this Agreement, the following checked insurance policies:

A.  If checked, **Professional Liability Insurance** (errors and omissions) with minimum limits of \$1,000,000 per occurrence.

B. **Automobile Insurance** covering all bodily injury and property damage incurred during the performance of this Agreement, with a minimum coverage of \$1,000,000 combined single limit per accident. Such automobile insurance shall include owned, non-owned, and hired vehicles ("any auto"). The policy shall name the SUCCESSOR AGENCY and its officers, agents, employees, and volunteers as additional insureds, and a separate additional insured endorsement shall be provided.

C. **Commercial General Liability Insurance**, with minimum limits of either \$2,000,000 per occurrence and \$4,000,000 aggregate, or \$1,000,000 per occurrence and \$2,000,000 aggregate with a \$2,000,000 umbrella policy, covering all bodily injury and property damage arising out of its operations, work, or performance under this Agreement. The policy shall name the SUCCESSOR AGENCY and its officers, agents, employees, and volunteers as additional insureds, and a separate additional insured endorsement shall be provided. The general aggregate limit must apply solely to this "project" or "location". The "project" or "location" should be noted with specificity on an endorsement that shall be incorporated into the policy.

D. **Workers' Compensation Insurance** in an amount sufficient to meet statutory requirements covering all of CONSULTANT'S employees and employers' liability insurance with limits of at least \$1,000,000 per accident. In addition, the policy shall be endorsed with a waiver of subrogation in favor of the SUCCESSOR AGENCY. Said endorsement shall be provided prior to commencement of work under this Agreement.

If CONSULTANT has no employees subject to the California Workers' Compensation and Labor laws, CONSULTANT shall execute a Declaration to that effect. Said Declaration shall be provided to CONSULTANT by SUCCESSOR AGENCY.

E. The aforesaid policies shall constitute primary insurance as to the SUCCESSOR AGENCY, its officers, officials, employees, and volunteers, so that any other policies held by the SUCCESSOR AGENCY shall not contribute to any loss under said insurance. Said policies shall provide for thirty (30) days prior written notice to the SUCCESSOR AGENCY of cancellation or material change.

F. If required insurance coverage is provided on a "claims made" rather than "occurrence" form, the CONSULTANT shall maintain such insurance coverage for three years after expiration of the term (and any extensions) of this Agreement. In addition, the "retro" date must be on or before the date of this Agreement.

G. Insurance shall be written with only California admitted companies that hold a current policy holder's alphabetic and financial size category rating of not less than A:VII

according to the current Best's Key Rating Guide, or a company equal financial stability that is approved by the SUCCESSOR AGENCY'S Risk Manager. In the event coverage is provided by non-admitted "surplus lines" carriers, they must be included on the most recent California List of Eligible Surplus Lines Insurers (LESLI list) and otherwise meet rating requirements.

H. This Agreement shall not take effect until certificate(s) or other sufficient proof that these insurance provisions have been complied with, are filed with and approved by the SUCCESSOR AGENCY'S Risk Manager. If the CONSULTANT does not keep all of such insurance policies in full force and effect at all times during the terms of this Agreement, the SUCCESSOR AGENCY may elect to treat the failure to maintain the requisite insurance as a breach of this Agreement and terminate the Agreement as provided herein.

I. All deductibles and self-insured retentions in excess of \$10,000 must be disclosed to and approved by the SUCCESSOR AGENCY.

18. **LEGAL FEES.** If any party brings a suit or action against the other party arising from any breach of any of the covenants or agreements or any inaccuracies in any of the representations and warranties on the part of the other party arising out of this Agreement, then in that event, the prevailing party in such action or dispute, whether by final judgment or out-of-court settlement, shall be entitled to have and recover of and from the other party all costs and expenses of suit, including attorneys' fees.

For purposes of determining who is to be considered the prevailing party, it is stipulated that attorney's fees incurred in the prosecution or defense of the action or suit shall not be considered in determining the amount of the judgment or award. Attorney's fees to the prevailing party if other than the SUCCESSOR AGENCY shall, in addition, be limited to the amount of attorney's fees incurred by the SUCCESSOR AGENCY in its prosecution or defense of the action, irrespective of the actual amount of attorney's fees incurred by the prevailing party.

19. **MEDIATION/ARBITRATION.** ~~If a dispute arises out of or relates to this Agreement, or the breach thereof, the parties agree first to try, in good faith, to settle the dispute by mediation in San Diego, California, in accordance with the Commercial Mediation Rules of the American Arbitration Association (the "AAA") before resorting to arbitration. The costs of mediation shall be borne equally by the parties. Any controversy or claim arising out of, or relating to, this Agreement, or breach thereof, which is not resolved by mediation shall be settled by arbitration in San Diego, California, in accordance with the Commercial Arbitration Rules of the AAA then existing. Any award rendered shall be final and conclusive upon the parties, and a judgment thereon may be entered in any court having jurisdiction over the subject matter of the controversy. The expenses of the arbitration shall be borne equally by the parties to the arbitration, provided that each party shall pay for and bear the costs of its own experts, evidence and attorneys' fees, except that the arbitrator may assess such expenses or any part thereof against a specified party as part of the arbitration award.~~

20 19. **TERMINATION.**

A. This Agreement may be terminated with or without cause by the SUCCESSOR AGENCY. Termination without cause shall be effective only upon 60-day's written notice to the CONSULTANT. During said 60-day period the CONSULTANT shall perform all services in accordance with this Agreement.

B. This Agreement may also be terminated immediately by the SUCCESSOR AGENCY for cause in the event of a material breach of this Agreement, misrepresentation by the CONSULTANT in connection with the formation of this Agreement or the performance of services, or the failure to perform services as directed by the SUCCESSOR AGENCY.

C. Termination with or without cause shall be effected by delivery of written Notice of Termination to the CONSULTANT as provided for herein.

D. In the event of termination, all finished or unfinished Memoranda Reports, Maps, Drawings, Plans, Specifications and other documents prepared by the CONSULTANT, whether paper or electronic, shall immediately become the property of and be delivered to the SUCCESSOR AGENCY, and the CONSULTANT shall be entitled to receive just and equitable compensation for any work satisfactorily completed on such documents and other materials up to the effective date of the Notice of Termination, not to exceed the amounts payable hereunder, and less any damages caused the SUCCESSOR AGENCY by the CONSULTANT'S breach, if any. Thereafter, ownership of said written material shall vest in the SUCCESSOR AGENCY all rights set forth in Section 7.

E. The SUCCESSOR AGENCY further reserves the right to immediately terminate this Agreement upon: (1) the filing of a petition in bankruptcy affecting the CONSULTANT; (2) a reorganization of the CONSULTANT for the benefit of creditors; or (3) a business reorganization, change in business name or change in business status of the CONSULTANT.

24 20. **NOTICES.** All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered; or sent by overnight mail (Federal Express or the like); or sent by registered or certified mail, postage prepaid, return receipt requested; or sent by ordinary mail, postage prepaid; or telegraphed or cabled; or delivered or sent by telex, telecopy, facsimile or fax; and shall be deemed received upon the earlier of (i) if personally delivered, the date of delivery to the address of the person to receive such notice, (ii) if sent by overnight mail, the business day following its deposit in such overnight mail facility, (iii) if mailed by registered, certified or ordinary mail, five (5) days (ten (10) days if the address is outside the State of California) after the date of deposit in a post office, mailbox, mail chute, or other like facility regularly maintained by the United States Postal Service, (iv) if given by telegraph or cable, when delivered to the telegraph company with charges prepaid, or (v) if given by telex, telecopy, facsimile or fax, when sent. Any notice, request, demand, direction or other communication delivered or sent as specified above shall be directed to the following persons:

To SUCCESSOR AGENCY: Stephen Manganiello  
Director of Public Works / City Engineer  
Engineering & Public Works Department  
City of National City  
1243 National City Boulevard  
National City, CA 91950-4397

To CONSULTANT:  
Don Bradford  
President and CEO  
EnSafe, Inc.

5724 Summer Trees Drive  
Memphis, TN 38134

Notice of change of address shall be given by written notice in the manner specified in this Section. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to constitute receipt of the notice, demand, request or communication sent. Any notice, request, demand, direction or other communication sent by cable, telex, telecopy, facsimile or fax must be confirmed within forty-eight (48) hours by letter mailed or delivered as specified in this Section.

~~22~~ 21. **CONFLICT OF INTEREST AND POLITICAL REFORM ACT OBLIGATIONS.** During the term of this Agreement, the CONSULTANT shall not perform services of any kind for any person or entity whose interests conflict in any way with those of the City of National City. The CONSULTANT also agrees not to specify any product, treatment, process or material for the project in which the CONSULTANT has a material financial interest, either direct or indirect, without first notifying the SUCCESSOR AGENCY of that fact. The CONSULTANT shall at all times comply with the terms of the Political Reform Act and the National City Conflict of Interest Code. The CONSULTANT shall immediately disqualify itself and shall not use its official position to influence in any way any matter coming before the CITY in which the CONSULTANT has a financial interest as defined in Government Code Section 87103. The CONSULTANT represents that it has no knowledge of any financial interests that would require it to disqualify itself from any matter on which it might perform services for the CITY.

If checked, the CONSULTANT shall comply with all of the reporting requirements of the Political Reform Act and the National City Conflict of Interest Code. Specifically, the CONSULTANT shall file a Statement of Economic Interests with the City Clerk of the City of National City in a timely manner on forms which the CONSULTANT shall obtain from the City Clerk.

The CONSULTANT shall be strictly liable to the CITY for all damages, costs or expenses the CITY may suffer by virtue of any violation of this Paragraph 22 by the CONSULTANT.

~~23~~ 22. **PREVAILING WAGES.** State prevailing wage rates may apply to work performed under this Agreement. State prevailing wages rates apply to all public works contracts as set forth in California Labor Code, including but not limited to, Sections 1720, 1720.2, 1720.3, 1720.4, and 1771. Consultant is solely responsible to determine if State prevailing wage rates apply and, if applicable, pay such rates in accordance with all laws, ordinances, rules, and regulations.

~~24~~ 23. **MISCELLANEOUS PROVISIONS.**  
A. *Computation of Time Periods.* If any date or time period provided for in this Agreement is or ends on a Saturday, Sunday or federal, state or legal holiday, then such date shall automatically be extended until 5:00 p.m. Pacific Time of the next day which is not a Saturday, Sunday or federal, state, or legal holiday.

B. *Counterparts.* This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute but one and the same instrument.

C. *Captions.* Any captions to, or headings of, the sections or subsections of this Agreement are solely for the convenience of the parties hereto, are not a part of this Agreement, and shall not be used for the interpretation or determination of the validity of this Agreement or any provision hereof.

D. *No Obligations to Third Parties.* Except as otherwise expressly provided herein, the execution and delivery of this Agreement shall not be deemed to confer any rights upon, or obligate any of the parties hereto, to any person or entity other than the parties hereto.

E. *Exhibits and Schedules.* The Exhibits and Schedules attached hereto are hereby incorporated herein by this reference for all purposes. To the extent any exhibits, schedules, or provisions thereof conflict or are inconsistent with the terms and conditions contained in this Agreement, the terms and conditions of this Agreement shall control.

F. *Amendment to this Agreement.* The terms of this Agreement may not be modified or amended except by an instrument in writing executed by each of the parties hereto.

G. *Waiver.* The waiver or failure to enforce any provision of this Agreement shall not operate as a waiver of any future breach of any such provision or any other provision hereof.

H. *Applicable Law.* This Agreement shall be governed by and construed in accordance with the laws of the State of California.

I. *Audit.* If this Agreement exceeds ten-thousand dollars (\$10,000), the parties shall be subject to the examination and audit of the State Auditor for a period of three (3) years after final payment under the Agreement, per Government Code Section 8546.7.

J. *Entire Agreement.* This Agreement supersedes any prior agreements, negotiations and communications, oral or written, and contains the entire agreement between the parties as to the subject matter hereof. No subsequent agreement, representation, or promise made by either party hereto, or by or to an employee, officer, agent or representative of any party hereto shall be of any effect unless it is in writing and executed by the party to be bound thereby.

K. *Successors and Assigns.* This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties hereto.

L. *Subcontractors or Subconsultants.* The CITY is engaging the services of the CONSULTANT identified in this Agreement. The CONSULTANT shall not subcontract any portion of the work, unless such subcontracting was part of the original proposal or is allowed by the SUCCESSOR AGENCY in writing. In the event any portion of the work under this Agreement is subcontracted, the subconsultant(s) shall be required to comply with and agree to, for the benefit of and in favor of the SUCCESSOR AGENCY, both the insurance provisions in Section 17 and the indemnification and hold harmless provision of Section 15 of this Agreement.

M. *Construction.* The parties acknowledge and agree that (i) each party is of equal bargaining strength, (ii) each party has actively participated in the drafting, preparation and negotiation of this Agreement, (iii) each such party has consulted with or has had the opportunity to consult with its own, independent counsel and such other professional advisors as such party has deemed appropriate, relative to any and all matters contemplated under this Agreement, (iv) each party and such party's counsel and advisors have reviewed this Agreement, (v) each party has agreed to enter into this Agreement following such review and the rendering of such advice, and (vi) any rule or construction to the effect that ambiguities are to be resolved against the

drafting party shall not apply in the interpretation of this Agreement, or any portions hereof, or any amendments hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first above written.

**SUCCESSOR AGENCY TO THE  
COMMUNITY DEVELOPMENT  
COMMISSION OF THE CITY OF  
NATIONAL CITY**

**ENSAFE, INC.**

By: \_\_\_\_\_  
Ron Morrison, Chairman

By: \_\_\_\_\_  
Don Bradford  
President and CEO

By: \_\_\_\_\_  
Sharon Hooper  
Vice President

APPROVED AS TO FORM:

\_\_\_\_\_  
Angil P. Morris-Jones



a global professional services company

creative thinking. custom solutions.®

5724 Summer Trees Drive | Memphis, Tennessee 38134 | Telephone 901-372-7962 | Facsimile 901-372-2454 | www.ensafe.com

February 8, 2017

**Stephen Manganiello**  
Director of Public Works/City Engineer  
City of National City  
1243 National City Boulevard  
National City, CA 91950

**Re: Proposal for Environmental Site Investigation and Remediation Support Services;  
WI-TOD/Paradise Creek Redevelopment Area – National City, California**

Dear Mr. Manganiello:

EnSafe Inc. is pleased to submit this proposal to provide environmental site investigation and remediation support services for the WI-TOD/Paradise Creek Park Redevelopment Area in National City, California.

Effective February 3, 2017, EnSafe entered into an agreement to purchase a portion of E2 ManageTech, Inc. (E2) assets. Those assets are associated with E2's Environmental Services (ES) practice, which is the division of E2 that will continue to service the scope of work described herein. To ensure that National City is not impacted by this acquisition, EnSafe will subcontract directly with E2 to execute the scope of work during this transition period. EnSafe and E2's ES division are committed to a seamless transition, as we integrate our operations and service models in the coming weeks.

Accordingly, EnSafe and E2 propose to complete the following scope of work:

**Task 1 - Phase I Development Area:**

- Remedial Action Completion Report (RACR) – Completed pending LUC.
- Land Use Covenant (LUC) – Currently in review by DTSC's legal department.
- Minor expenses remaining that would include any additional revisions to the LUC and/or closure documents.

**Task 2 - Phase II Development Area:**

- RACR document has been initiated and it approximately 60% completed. Final completion of the RACR document pending approval of Phase I RACR.
- Phase II LUC – Will be prepared based on the final Phase I LUC. Minimal effort because the final language of Phase I will have been reviewed by City, Developer, and DTSC attorneys.

**Parkside Development Scope of Work:**

**Task 3 – Parkside Lead Supplemental Investigation**

- Collect additional soil samples from locations where elevated lead concentrations were detected and test for the solubility of lead in the fill soils at the site.
- 20 soil samples will be collected from 10 pre-selected boring locations.
- All soil samples will be analyzed for total lead and soluble lead using test methods for STLC and TCLP methods.
- Results of this Supplemental Investigation will support the recommended remediation alternative analyzed in the Removal Action Work Plan that is described under Task 4.
- Costs include preparation of a Supplemental Site Investigation Report with the findings and conclusions.

**Task 4 – Draft and Final Removal Action Work plan (RAW)**

- Based on the findings of the Supplemental Site Investigation, a RAW document will be prepared in accordance with protocol established by the Department of Toxic Substances Control (DTSC).
- The RAW document will screen up to 4 lead mitigation alternatives and recommend one alternative for implementation. The alternatives will be evaluated based on Implementability, Effectiveness, and Cost.
- The alternatives will take into consideration the potential to install a cap above the lead impacted soils and relocate lead impacted soil beneath the street renovation areas associated with Harding Avenue and 21<sup>st</sup> Street.
- One electronic draft version of the RAW will be submitted to the City and DTSC for its review.
- Based on one round of review for the Draft RAW, the Final RAW will be prepared that will incorporate comments received from the City and DTSC.
- One hard copy of the Final RAW will be prepared and delivered to each the City and DTSC. An extra hard copy will be prepared for placement in a public repository (i.e., National City Public Library).

**Task 5 – Parkside Land Use Covenant (LUC)**

- It is anticipated that lead impacted soils will remain beneath the park and possibly the street renovation areas described above. Accordingly, a LUC will be prepared to describe the location of lead impacted soil and any land restrictions that would result.
- The LUC will be prepared in accordance with DTSC's standard format and in consideration of the LUCs that are associated with Phases I and II of the Paradise Creek Development area.
- It is anticipated that the lead-impacted areas will be represented using CAD drawings.

**Task 6 – Parkside California Environmental Quality Act Compliance (CEQA)**

- The RAW documents are subject CEQA compliance.
- Because environmental cleanup is the CEQA action, DTSC will serve as the lead agency.
- To assist with meeting the City's schedule for building the park, EnSafe/E2 will assist DTSC with preparing CEQA documents.



- Because the final remediation alternatives have not been determined and/or approved, the CEQA actions are not known at this time.
- For the purpose of this proposal, it is anticipated that a Mitigative Negative Declaration (MND) will be warranted.
- On behalf of DTSC, EnSafe/E2 will prepare a draft MND for DTSC to review and finalize. It is anticipated that DTSC will provide comments to the Draft document and EnSafe/E2 will finalize the document.
- An electronic copy of the Draft MND will be submitted to DTSC for its review. Also, 3 hard copies of the final MND will be prepared and submitted to the City, DTSC, and a central repository.
- The level of effort includes preparing project factsheets in English and Spanish and participation in one community meeting.
- Postage costs for mailing any factsheets and/or meeting notifications are not included in the costs. These expenses will be charged at cost with no markup.

EnSafe and the E2 Project Team are prepared to complete the above-described scope of work on a time-and-material basis for \$114,269.25. Detailed cost breakdown of our proposed cost is provided as an attachment.

EnSafe and the E2 Project Team appreciate the opportunity to continue to support National City with the WI-TOD/Paradise Creek Redevelopment Project. If you have any questions regarding this proposal or the transition of E2 into EnSafe, please do not hesitate to call the undersigned.

Sincerely,

EnSafe Inc.



Donald E. Bradford  
President & CEO

cc: Daryl Hernandez, PE

**ENSAFE**



a global professional services company

**EXHIBIT "A"**  
**WI-TOD/PARADISE CREEK REDEVELOPMENT AREA**  
**COST PROPOSAL & FEE SCHEDULE**

STAFF CATEGORY	RATE	Task 1		Task 2		Task 3		Task 4		Task 5		Task 6		TASKS TOTAL	TOTAL
		Phase I Develop Area Completion	Phase II RACR Report and LUC	Parkside Lead Supplemental Investigation	Darft and Final RAW	Parkside LUC	Parkside CEQA	Units/Hrs	Cost	Units/Hrs	Cost	Units/Hrs	Cost		
Principal/Sr. Principal	\$185.00	24.0	\$4,440	48.0	\$8,880	40.0	\$7,400	80.0	\$14,800	24.0	\$4,440	40.0	\$7,400	256.0	\$47,360.00
Consulting Professional	\$160.00		\$0		\$0	16.0	\$2,560	8.0	\$1,280		\$0	8.0	\$1,280	32.0	\$5,120.00
Sr. Project Professional	\$150.00		\$0		\$0		\$0		\$0		\$0		\$0	0.0	\$0.00
Project Professional	\$140.00		\$0	24.0	\$3,360		\$0	40.0	\$5,600		\$0	40.0	\$5,600	104.0	\$14,560.00
Assistant Project Professional	\$125.00		\$0		\$0		\$0		\$0		\$0		\$0	0.0	\$0.00
Sr. Staff Professional	\$110.00		\$0		\$0		\$0		\$0		\$0		\$0	0.0	\$0.00
Staff Professional	\$105.00		\$0		\$0	36.0	\$3,780	120.0	\$12,600		\$0	8.0	\$840	164.0	\$17,220.00
Technical Editor	\$85.00		\$0		\$0		\$0		\$0		\$0		\$0	0.0	\$0.00
Technical Assistant/Word Processor	\$75.00	8.0	\$600	8.0	\$600	4.0	\$300	24.0	\$1,800	4.0	\$300	8.0	\$600	56.0	\$4,200.00
<b>Labor Cost Subtotals</b>		<b>32.0</b>	<b>\$5,040.00</b>	<b>80.0</b>	<b>\$12,840.00</b>	<b>96.0</b>	<b>\$14,040.00</b>	<b>272.0</b>	<b>\$36,080.00</b>	<b>28.0</b>	<b>\$4,740.00</b>	<b>104.0</b>	<b>\$15,720.00</b>	<b>612.0</b>	<b>\$88,460.00</b>
<b>ITEM</b>	<b>RATE</b>	<b>Units/Hrs</b>	<b>Cost</b>	<b>Units/Hrs</b>	<b>Cost</b>	<b>Units/Hrs</b>	<b>Cost</b>	<b>Units/Hrs</b>	<b>Cost</b>	<b>Units/Hrs</b>	<b>Cost</b>	<b>Units/Hrs</b>	<b>Cost</b>	<b>Units/Hrs</b>	<b>Cost</b>
Transportation			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	0.0	\$0.00
Vehicles			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	0.0	\$0.00
Vehicle Mileage (\$/Mile)	\$0.540		\$0.00		\$0.00	50.0	\$27.00		\$0.00		\$0.00		\$0.00	50.0	\$27.00
Daily Truck Rental (\$/Day)	\$110.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	0.0	\$0.00
E2 Supplied Equipment			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	0.0	\$0.00
Hazardous Waste Kit (\$/Day)	\$55.00		\$0.00		\$0.00	2.0	\$110.00		\$0.00		\$0.00		\$0.00	2.0	\$110.00
<b>Reimbursable Expenses Cost Subtotal</b>		<b>0.0</b>	<b>\$0.00</b>	<b>0.0</b>	<b>\$0.00</b>	<b>52.0</b>	<b>\$137.00</b>	<b>0.0</b>	<b>\$0.00</b>	<b>0.0</b>	<b>\$0.00</b>	<b>0.0</b>	<b>\$0.00</b>	<b>0.0</b>	<b>\$137.00</b>
<b>SUBCONTRACTOR COSTS</b>															
<b>SUBCONTRACTOR</b>	<b>RATE</b>	<b>Units/Hrs</b>	<b>Cost</b>	<b>Units/Hrs</b>	<b>Cost</b>	<b>Units/Hrs</b>	<b>Cost</b>	<b>Units/Hrs</b>	<b>Cost</b>	<b>Units/Hrs</b>	<b>Cost</b>	<b>Units/Hrs</b>	<b>Cost</b>	<b>Units/Hrs</b>	<b>Cost</b>
Phase II			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	0.0	\$0.00
Pre-field Activities			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	0.0	\$0.00
All samples will be hand augered. No geo costs	\$2,700.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	0.0	\$0.00
Field Equipment Rental			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	0.0	\$0.00
Mini Rae PID (\$/week)	\$325.00		\$0.00		\$0.00	1.0	\$325.00		\$0.00		\$0.00		\$0.00	1.0	\$325.00
Hand Auger Kit	\$195.00		\$0.00		\$0.00	2.0	\$390.00		\$0.00		\$0.00		\$0.00	2.0	\$390.00
PPE (\$/day)	\$75.00		\$0.00		\$0.00	2.0	\$150.00		\$0.00		\$0.00		\$0.00	2.0	\$150.00
Analytical Testing			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	0.0	\$0.00
Soil Analysis			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	0.0	\$0.00
Total lead (TLC) by EPA 6010B (with Digestion)	\$10.00		\$0.00		\$0.00	20.0	\$200.00		\$0.00		\$0.00		\$0.00	20.0	\$200.00
Soluble lead (STLC) by WET (with STLC Extraction)	\$37.00		\$0.00		\$0.00	20.0	\$740.00		\$0.00		\$0.00		\$0.00	20.0	\$740.00
TCLP Lead (with TCLP Bottle Extraction)	\$37.00		\$0.00		\$0.00	20.0	\$740.00		\$0.00		\$0.00		\$0.00	20.0	\$740.00
<b>SUBCONTRACTOR COST SUBTOTALS (WITHOUT MARK-UP)</b>			<b>\$0.00</b>		<b>\$0.00</b>		<b>\$2,545.00</b>		<b>\$0.00</b>		<b>\$0.00</b>		<b>\$0.00</b>		<b>\$2,545.00</b>
<b>SUBCONTRACTOR MARK-UP</b>	<b>5%</b>		<b>\$0.00</b>		<b>\$0.00</b>		<b>\$127.25</b>		<b>\$0.00</b>		<b>\$0.00</b>		<b>\$0.00</b>		<b>\$127.25</b>
<b>SUBCONTRACTOR COST SUBTOTALS</b>			<b>\$0.00</b>		<b>\$0.00</b>		<b>\$2,672.25</b>		<b>\$0.00</b>		<b>\$0.00</b>		<b>\$0.00</b>		<b>\$2,672.25</b>
<b>TASK SUBTOTALS</b>			<b>\$5,040.00</b>		<b>\$12,840.00</b>		<b>\$16,849.25</b>		<b>\$36,080.00</b>		<b>\$4,740.00</b>		<b>\$15,720.00</b>		<b>\$91,269.25</b>
<b>25% CONTINGENCY FOR UNFORSEEN CONDITIONS</b>															<b>\$23,000.00</b>
<b>TOTAL COST</b>															<b>\$114,269.25</b>



## DESCRIPTIONS (Continued from Page 1)

Waiver of Subrogation is applicable where required by written contract & allowed by law.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED – OWNERS, LESSEES OR  
CONTRACTORS – SCHEDULED PERSON OR  
ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

Name Of Additional Insured Person(s) Or Organization(s)	Location(s) Of Covered Operations
Any person or organization that you are required in a written contract or written agreement to include as an additional insured provided the "bodily injury" or "property damage" occurs subsequent to the execution of the written contract or written agreement	Westside Infill Transit Oriented Development (WI-TOD) / Paradise Creek Park redevelopment area in National City, CA
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

**A. Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

**B. With respect to the insurance** afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

C. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or

2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

**SCHEDULE**

Name Of Additional Insured Person(s) Or Organization(s)	Location And Description Of Completed Operations
Any person or organization that you are required in a written contract or written agreement to include as an additional insured provided the "bodily injury" or "property damage" occurs subsequent to the execution of the written contract or written agreement	Westside Infill Transit Oriented Development (WI-TOD) / Paradise Creek Park redevelopment area in National City, CA
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

**A. Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the Schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

**B. With respect to the insurance afforded to these additional insureds, the following is added to Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

**ENDORSEMENT #004**

This endorsement, effective 12:01 a.m., December 1, 2016 forms a part of Policy No. AEC004489102 issued to ENSAFE, INC. by XL Specialty Insurance Company.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**AUTOMATIC ADDITIONAL INSURED**

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
AUTO DEALERS COVERAGE FORM**

- A. **COVERED AUTOS LIABILITY COVERAGE, Who Is An Insured**, is amended to include as an "insured" any person or organization you are required in a written contract to name as an additional insured, but only for "bodily injury" or "property damage" otherwise covered under this policy caused, in whole or in part, by the negligent acts or omissions of:
1. You, while using a covered "auto"; or
  2. Any other person, except the additional insured or any employee or agent of the additional insured, operating a covered "auto" with your permission;

Provided that:

- a. The written contract is in effect during the policy period of this policy;
  - b. The written contract was signed by you and executed prior to the "accident" causing "bodily injury" or "property damage" for which liability coverage is sought; and
  - c. Such person or organization is an "insured" solely to the extent required by the contract, but in no event if such person or organization is solely negligent.
- B. The Limits of Insurance provided for the Additional Insured shall not be greater than those required by contract and, in no event shall the Limits of Insurance set forth in this policy be increased by the contract.
- C. **General Conditions, Other Insurance** is amended as follows:

Any coverage provided hereunder shall be excess over any other valid and collectible insurance available to the additional insured whether such insurance is primary, excess, contingent or on any other basis unless the contract specifically requires that this policy be primary.

All terms, conditions, exclusions and limitations of this policy shall apply to the liability coverage provided to any additional insured, and in no event shall such coverage be enlarged or expanded by reason of the contract.

All other terms and conditions of this policy remain unchanged.

XIC 411 1013

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Page 1 of 1

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BVIE 01/04/2017

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **DESIGNATED CONSTRUCTION PROJECT(S) GENERAL AGGREGATE LIMIT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

### **SCHEDULE**

**Designated Construction Project(s):**

Each of your projects away from premises owned by or rented to you as require by written contract

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

- A. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I – Coverage A, and for all medical expenses caused by accidents under Section I – Coverage C, which can be attributed only to ongoing operations at a single designated construction project shown in the Schedule above:
1. A separate Designated Construction Project General Aggregate Limit applies to each designated construction project, and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.
  2. The Designated Construction Project General Aggregate Limit is the most we will pay for the sum of all damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under Coverage C regardless of the number of:
    - a. Insureds;
    - b. Claims made or "suits" brought; or
    - c. Persons or organizations making claims or bringing "suits".
  3. Any payments made under Coverage A for damages or under Coverage C for medical expenses shall reduce the Designated Construction Project General Aggregate Limit for that designated construction project. Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Construction Project General Aggregate Limit for any other designated construction project shown in the Schedule above.
  4. The limits shown in the Declarations for Each Occurrence, Damage To Premises Rented To You and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Designated Construction Project General Aggregate Limit.

- B.** For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I – Coverage A, and for all medical expenses caused by accidents under Section I – Coverage C, which cannot be attributed only to ongoing operations at a single designated construction project shown in the Schedule above:
- 1.** Any payments made under Coverage A for damages or under Coverage C for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-completed Operations Aggregate Limit, whichever is applicable; and
  - 2.** Such payments shall not reduce any Designated Construction Project General Aggregate Limit.
- C.** When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Designated Construction Project General Aggregate Limit.
- D.** If the applicable designated construction project has been abandoned, delayed, or abandoned and then restarted, or if the authorized contracting parties deviate from plans, blueprints, designs, specifications or timetables, the project will still be deemed to be the same construction project.
- E.** The provisions of Section III – Limits Of Insurance not otherwise modified by this endorsement shall continue to apply as stipulated.

The following page(s) contain the backup material for Agenda Item: Investment transactions for the month ended April 30, 2017. (Finance)

**SUCCESSOR AGENCY TO  
THE COMMUNITY DEVELOPMENT COMMISSION  
AS THE NATIONAL CITY REDEVELOPMENT AGENCY  
COUNCIL AGENDA STATEMENT**

**MEETING DATE:** June 20, 2017

**AGENDA ITEM NO.** |

**ITEM TITLE:**

Investment transactions for the month ended April 30, 2017.

**PREPARED BY:** Ronald Gutlay

**PHONE:** (619) 336-4346

**DEPARTMENT:** Finance

**APPROVED BY:** Mark Ralvito

**EXPLANATION:**

In accordance with California Government Code Section 53646 and City of National City's investment policy section XIA, a monthly report shall be submitted to the legislative body accounting for transactions made during the reporting period.

The attached listing reflects investment transactions of the City of National City's Successor Agency investment portfolio for the month ending April 30, 2017.

**FINANCIAL STATEMENT:**

**ACCOUNT NO.**

NA

**APPROVED:** Mark Ralvito Finance

**APPROVED:** \_\_\_\_\_ MIS

**ENVIRONMENTAL REVIEW:**

This is not a project and, therefore, not subject to environmental review.

**ORDINANCE:** INTRODUCTION:  FINAL ADOPTION:

**STAFF RECOMMENDATION:**

Accept and file the Investment Transaction Report for the month ended April 30, 2017.

**BOARD / COMMISSION RECOMMENDATION:**

NA

**ATTACHMENTS:**

Investment Transaction Report

**SUCCESSOR AGENCY - CDC OF NC**  
**Cash with Fiscal Agents / LAIF**  
**April 30, 2017**

<b>CUSIP</b>	<b>Investment #</b>	<b>Issuer</b>	<b>Beginning Balance As of 2/28/2017</b>	<b>Contributions Distributions</b>	<b>March 31, 2017 Interest/Dividends</b>	<b>April 30, 2017 Interest/Dividends</b>	<b>April 30, 2017 Ending Balance</b>
SYS10040	10040	National City 2011 TAB	\$ 4,147,787.20	-	103.42	383.13	\$ 4,148,273.75
SYS10020	10020	National City 1999 TAB Reserve	\$ 333,925.67	-	45.09	69.43	\$ 334,040.19
Local Agency Investment Fund - LAIF	65-37-014		\$ 8,554,520.87	-	16,366.01	-	\$ 8,570,886.88
			<b>13,036,233.74</b>	<b>0.00</b>	<b>16,514.52</b>	<b>452.56</b>	<b>13,053,200.82</b>



**ACCOUNT NUMBER: S668702**  
**COMMUNITY DEVELOPMENT COMMISSION OF**  
**CITY OF NATIONAL CITY**  
**NATIONAL CITY REDEVELOPMENT PROJECT**  
**2011 TAX ALLOCATION BONDS**  
**RESERVE SUBACCOUNT**

This statement is for the period from  
April 1, 2017 to April 30, 2017

000001042 03 SP 000638641954076 P

CITY OF NATIONAL CITY  
ATTN MARK ROBERTS DIR OF FINANCE  
1243 NATIONAL CITY BLVD  
NATIONAL CITY CA 91950-4301

**QUESTIONS?**

If you have any questions regarding  
your account or this statement, please  
contact your Account Manager or Analyst.

**Account Manager:**  
**ILSE VLACH**  
LM-CA-T24T  
633 WEST FIFTH STREET  
24TH FLOOR  
LOS ANGELES, CA 90071  
**Phone 213-615-6051**  
**E-mail ilse.vlach@usbank.com**

**Analyst:**  
DIANA D LUBEGA  
**Phone 651-466-6125**



ACCOUNT NUMBER: S668702  
COMMUNITY DEVELOPMENT COMMISSION OF  
CITY OF NATIONAL CITY  
NATIONAL CITY REDEVELOPMENT PROJECT  
2011 TAX ALLOCATION BONDS  
RESERVE SUBACCOUNT

This statement is for the period from  
April 1, 2017 to April 30, 2017

### MARKET VALUE SUMMARY

	Current Period 04/01/17 to 04/30/17	Year-to-Date 01/01/17 to 04/30/17
<b>Beginning Market Value</b>	\$4,147,890.62	\$4,173,375.90
Distributions		- 25,710.95
<b>Adjusted Market Value</b>	<b>\$4,147,890.62</b>	<b>\$4,147,664.95</b>
<b>Investment Results</b>		
Interest, Dividends and Other Income	383.13	608.80
<b>Total Investment Results</b>	<b>\$383.13</b>	<b>\$608.80</b>
<b>Ending Market Value</b>	<b>\$4,148,273.75</b>	<b>\$4,148,273.75</b>





ACCOUNT NUMBER: S668702  
 COMMUNITY DEVELOPMENT COMMISSION OF  
 CITY OF NATIONAL CITY  
 NATIONAL CITY REDEVELOPMENT PROJECT  
 2011 TAX ALLOCATION BONDS  
 RESERVE SUBACCOUNT

This statement is for the period from  
 April 1, 2017 to April 30, 2017

**ASSET DETAIL AS OF 04/30/17**

Shares or Face Amount	Security Description	Market Value/ Price	Tax Cost/ Unit Cost	% of Total Yield at Market	Est Ann Inc
<b>Cash Equivalents</b>					
4,148,273.750	First American Government Oblig Fd Cl D #3802 31846V401	4,148,273.75 1.0000	4,148,273.75 1.00	100.0 .11**	4,594.63
<b>Total Cash Equivalents</b>		<b>\$4,148,273.75</b>	<b>\$4,148,273.75</b>	<b>100.0</b>	<b>\$4,594.63</b>
<b>Total Assets</b>		<b>\$4,148,273.75</b>	<b>\$4,148,273.75</b>	<b>100.0</b>	<b>\$4,594.63</b>

**ASSET DETAIL MESSAGES**

Time of trade execution and trading party (if not disclosed) will be provided upon request.

Publicly traded assets are valued in accordance with market quotations or valuation methodologies from financial industry services believed by us to be reliable. Assets that are not publicly traded may be reflected at values from other external sources. Assets for which a current value is not available may be reflected at a previous value or as not valued, at par value, or at a nominal value. Values shown do not necessarily reflect prices at which assets could be bought or sold. Values are updated based on internal policy and may be updated less frequently than statement generation.

For further information, please contact your Analyst.

\*\* The Yield at Market set forth in this statement for any money market fund is based on the interest rate applicable to that money market fund as of the last business day of the statement period only and may not be relied upon as (i) a yield estimate for the statement period as a whole, or (ii) a guarantee of future performance.



**ACCOUNT NUMBER: S668702**  
**COMMUNITY DEVELOPMENT COMMISSION OF**  
**CITY OF NATIONAL CITY**  
**NATIONAL CITY REDEVELOPMENT PROJECT**  
**2011 TAX ALLOCATION BONDS**  
**RESERVE SUBACCOUNT**

This statement is for the period from  
April 1, 2017 to April 30, 2017

---

### CASH SUMMARY

---

	Income Cash	Principal Cash	Total Cash
<b>Beginning Cash Balance as of 04/01/2017</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
Taxable Interest	383.13		383.13
Transfers	- 383.13	383.13	
Net Money Market Activity		- 383.13	- 383.13
<b>Ending Cash Balance as of 04/30/2017</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>





ACCOUNT NUMBER: S668702  
COMMUNITY DEVELOPMENT COMMISSION OF  
CITY OF NATIONAL CITY  
NATIONAL CITY REDEVELOPMENT PROJECT  
2011 TAX ALLOCATION BONDS  
RESERVE SUBACCOUNT

This statement is for the period from  
April 1, 2017 to April 30, 2017

**TRANSACTION DETAIL**

Date Posted	Description	Income Cash	Principal Cash	Tax Cost
	Beginning Balance 04/01/2017	\$0.00	\$0.00	\$4,147,890.62
04/03/17	Interest Earned On First American Govt Oblig Fund Cl D Interest From 3/1/17 To 3/31/17 31846V401	383.13		
04/04/17	Cash Disbursement Transfer To Principal	- 383.13		
04/04/17	Cash Receipt Transfer From Income		383.13	
04/04/17	Purchased 383.13 Units Of First American Govt Oblig Fund Cl D Trade Date 4/4/17 31846V401		- 383.13	383.13
	Ending Balance 04/30/2017	\$0.00	\$0.00	\$4,148,273.75



**ACCOUNT NUMBER: S668702**  
**COMMUNITY DEVELOPMENT COMMISSION OF**  
**CITY OF NATIONAL CITY**  
**NATIONAL CITY REDEVELOPMENT PROJECT**  
**2011 TAX ALLOCATION BONDS**  
**RESERVE SUBACCOUNT**

This statement is for the period from  
March 1, 2017 to March 31, 2017

000001076 03 SP 000638627031285 P

CITY OF NATIONAL CITY  
ATTN MARK ROBERTS DIR OF FINANCE  
1243 NATIONAL CITY BLVD  
NATIONAL CITY CA 91950-4301

### **QUESTIONS?**

If you have any questions regarding  
your account or this statement, please  
contact your Account Manager or Analyst.

**Account Manager:**  
**ILSE VLACH**  
LM-CA-T24T  
633 WEST FIFTH STREET  
24TH FLOOR  
LOS ANGELES, CA 90071  
**Phone 213-615-6051**  
**E-mail [ilse.vlach@usbank.com](mailto:ilse.vlach@usbank.com)**

**Analyst:**  
**DIANA D LUBEGA**  
**Phone 651-466-6125**



ACCOUNT NUMBER: S668702  
COMMUNITY DEVELOPMENT COMMISSION OF  
CITY OF NATIONAL CITY  
NATIONAL CITY REDEVELOPMENT PROJECT  
2011 TAX ALLOCATION BONDS  
RESERVE SUBACCOUNT

This statement is for the period from  
March 1, 2017 to March 31, 2017

---

**MARKET VALUE SUMMARY**

---

	Current Period 03/01/17 to 03/31/17	Year-to-Date 01/01/17 to 03/31/17
<b>Beginning Market Value</b>	<b>\$4,147,787.20</b>	<b>\$4,173,375.90</b>
Distributions		- 25,710.95
<b>Adjusted Market Value</b>	<b>\$4,147,787.20</b>	<b>\$4,147,664.95</b>
<b>Investment Results</b>		
Interest, Dividends and Other Income	103.42	225.67
<b>Total Investment Results</b>	<b>\$103.42</b>	<b>\$225.67</b>
<b>Ending Market Value</b>	<b>\$4,147,890.62</b>	<b>\$4,147,890.62</b>





**ACCOUNT NUMBER: S668702**  
**COMMUNITY DEVELOPMENT COMMISSION OF**  
**CITY OF NATIONAL CITY**  
**NATIONAL CITY REDEVELOPMENT PROJECT**  
**2011 TAX ALLOCATION BONDS**  
**RESERVE SUBACCOUNT**

This statement is for the period from  
 March 1, 2017 to March 31, 2017

**ASSET DETAIL AS OF 03/31/17**

Shares or Face Amount	Security Description	Market Value/ Price	Tax Cost/ Unit Cost	% of Total Yield at Market	Est Ann Inc
<b>Cash Equivalents</b>					
4,147,890.620	First American Government Obligation Fund Class D #3602 31846V401	4,147,890.62 1.0000	4,147,890.62 1.00	100.0 .03**	1,239.39
<b>Total Cash Equivalents</b>		<b>\$4,147,890.62</b>	<b>\$4,147,890.62</b>	<b>100.0</b>	<b>\$1,239.39</b>
<b>Total Assets</b>		<b>\$4,147,890.62</b>	<b>\$4,147,890.62</b>	<b>100.0</b>	<b>\$1,239.39</b>

**ASSET DETAIL MESSAGES**

Time of trade execution and trading party (if not disclosed) will be provided upon request.

Publicly traded assets are valued in accordance with market quotations or valuation methodologies from financial industry services believed by us to be reliable. Assets that are not publicly traded may be reflected at values from other external sources. Assets for which a current value is not available may be reflected at a previous value or as not valued, at par value, or at a nominal value. Values shown do not necessarily reflect prices at which assets could be bought or sold. Values are updated based on internal policy and may be updated less frequently than statement generation.

For further information, please contact your Analyst.

\*\* The Yield at Market set forth in this statement for any money market fund is based on the interest rate applicable to that money market fund as of the last business day of the statement period only and may not be relied upon as (i) a yield estimate for the statement period as a whole, or (ii) a guarantee of future performance.



ACCOUNT NUMBER: S668702  
COMMUNITY DEVELOPMENT COMMISSION OF  
CITY OF NATIONAL CITY  
NATIONAL CITY REDEVELOPMENT PROJECT  
2011 TAX ALLOCATION BONDS  
RESERVE SUBACCOUNT

This statement is for the period from  
March 1, 2017 to March 31, 2017

### CASH SUMMARY

	Income Cash	Principal Cash	Total Cash
<b>Beginning Cash Balance as of 03/01/2017</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
Taxable Interest	103.42		103.42
Transfers	- 103.42	103.42	
Net Money Market Activity		- 103.42	- 103.42
<b>Ending Cash Balance as of 03/31/2017</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>





ACCOUNT NUMBER: S668702  
COMMUNITY DEVELOPMENT COMMISSION OF  
CITY OF NATIONAL CITY  
NATIONAL CITY REDEVELOPMENT PROJECT  
2011 TAX ALLOCATION BONDS  
RESERVE SUBACCOUNT

This statement is for the period from  
March 1, 2017 to March 31, 2017

**TRANSACTION DETAIL**

Date Posted	Description	Income Cash	Principal Cash	Tax Cost
	<b>Beginning Balance 03/01/2017</b>	\$0.00	\$0.00	\$4,147,787.20
03/01/17	Interest Earned On First American Govt Oblig Fund Cl D Interest From 2/1/17 To 2/28/17 31846V401	103.42		
03/02/17	Cash Disbursement Transfer To Principal	- 103.42		
03/02/17	Cash Receipt Transfer From Income		103.42	
03/02/17	Purchased 103.42 Units Of First American Govt Oblig Fund Cl D Trade Date 3/2/17 31846V401		- 103.42	103.42
	<b>Ending Balance 03/31/2017</b>	\$0.00	\$0.00	\$4,147,890.62





BNY MELLON

The Bank of New York Mellon Trust Company, N.A.

Statement Period 03/01/2017 Through 03/31/2017

Account 264684

NATIONAL CITY TAB 89 RESERVE FD

Statement of Assets Held

Table with columns: Shares / Par Value, Asset Description, Market Price Average Cost, Market Value Cost, Accrued Income Est Annual Income, Market Yield. Rows include FIXED INCOME (AMBAC MUNICIPAL BOND INSURANCE POLICY) and CASH AND SHORT TERM (INVESCO GOVT AGENCY PRIVATE 1903).

ACCOUNT TOTALS

Total Market Value Plus Total Accrued Income 333,970.76

Statement of Transactions

Table with columns: Transaction Date, Transaction Description, Income, Principal, Cost, Realized Gains/Losses. Rows include OPENING BALANCE, Purchase of INVESCO GOVT AGENCY PRIVATE 1903, Dividend, and DAILY ENDING BALANCE.

Cumulative realized capital gain and loss position from 12/31/2016 for securities held in principal of account:

Short Term: 0.00 \* Long Term: 0.00 \*

\* The above gain and loss position does not include transactions where tax cost information is incomplete or unavailable.

Cash and securities set forth on this Account Statement are held by The Bank of New York Mellon, an affiliate of The Bank of New York Mellon Trust Company, N.A. In addition, The Bank of New York Mellon Trust Company, N.A. may utilize subsidiaries and affiliates to provide services and certain products to the Account.

The value of securities set forth on this Account Statement are obtained by The Bank of New York Mellon Trust Company, N.A., from its affiliate, The Bank of New York Mellon which determines such values for Corporate Trust on the basis of market prices and information obtained by The Bank of New York Mellon from unaffiliated third parties (including independent pricing vendors) ("third party pricing services").

0 0000 1 PDG 5 34,880



**BNY MELLON**

The Bank of New York Mellon Trust Company, N.A.

**TRUST COMPANY OF NATIONAL CITY**  
**MARK ROBERTS**  
**FINANCE DIRECTOR**  
**1243 NATIONAL CITY BOULEVARD**  
**NATIONAL CITY, CA 91950-4397**

### Account Statement

Statement Period 04/01/2017 Through 04/30/2017

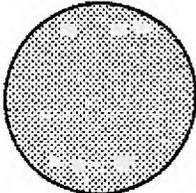
Account 264684  
NATIONAL CITY TAB 99 RESERVE FD

**CLIENT SERVICE MANAGER: CHRISTOPHER S JOHNSON**  
400 SOUTH HOPE STREET AIM: 901-0400  
LOS ANGELES, CA 90071  
213-630-6404  
CHRIS.JOHNSON@BNYMELLON.COM

Go Paperless. Securely access your account online to view your statements. Ask your BNY Mellon contact how we can help you access your accounts, enter your own transactions or submit an audit confirmation online. Also be sure to ask how Connect(SM), our new web-based, single sign-on platform can help you go paperless.

Visit us at [www.bnymellon.com](http://www.bnymellon.com)

### Account Overview



Percent of all Investments	Asset Classification	Market Value
100%	CASH AND SHORT TERM	334,040.19
100%	<b>TOTAL OF ALL INVESTMENTS</b>	<b>334,040.19</b>

### Summary of Assets Held

Asset Classification	Market Value	Cost	Accrued Income	Est Annual Income	Market Yield
UNPAID INCOME	0.00	0.00	0.00	0.00	0.00%
CASH AND SHORT TERM	334,040.19	334,040.19	0.00	0.00	0.00%
<b>ACCOUNT TOTALS</b>	<b>334,040.19</b>	<b>334,040.19</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00%</b>

### Summary of Cash Transactions

Transaction Category	Current Period			Year-to-Date	
	Income	Principal	Realized Gains/Losses	Income	Principal
OPENING BALANCE	0.00	0.00		0.00	0.00
DIVIDENDS	69.43	0.00	0.00	200.72	0.00
PURCHASES	69.43 -	0.00	0.00	200.72 -	0.00
<b>CLOSING BALANCE</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

The above cash transactions summary is provided for information purposes only and may not reflect actual taxable income or deductible expenses as reportable under the Internal Revenue Code.



BNY MELLON

The Bank of New York Mellon Trust Company, N.A.

Statement Period 04/01/2017 Through 04/30/2017

Account 264684

NATIONAL CITY TAB 99 RESERVE FD

Statement of Assets Held

Table with columns: Shares / Par Value, Asset Description, Market Price Average Cost, Market Value Cost, Accrued Income Est Annual Income, Market Yield. Rows include FIXED INCOME (AMBAC MUNICIPAL BOND INSURANCE POLICY), CASH AND SHORT TERM (INVESCO GOVT AGENCY PRIVATE 1903), and ACCOUNT TOTALS.

Total Market Value Plus Total Accrued Income 334,040.19

Statement of Transactions

Table with columns: Transaction Date, Transaction Description, Income, Principal, Cost, Realized Gains/Losses. Rows include 04/01/17 OPENING BALANCE, 04/04/17 Purchase (INVESCO GOVT AGENCY PRIVATE 1903), 04/04/17 Dividend (INVESCO GOVT AGENCY PRIVATE 1903), 04/04/17 DAILY ENDING BALANCE, and 04/30/17 CLOSING BALANCE.

Cumulative realized capital gain and loss position from 12/31/2016 for securities held in principal of account:

Short Term: 0.00 \* Long Term: 0.00 \*

\* The above gain and loss position does not include transactions where tax cost information is incomplete or unavailable.

Cash and securities set forth on this Account Statement are held by The Bank of New York Mellon, an affiliate of The Bank of New York Mellon Trust Company, N.A. In addition, The Bank of New York Mellon Trust Company, N.A. may utilize subsidiaries and affiliates to provide services and certain products to the Account. Subsidiaries and affiliates may be compensated for their services and products.

The value of securities set forth on this Account Statement are obtained by The Bank of New York Mellon Trust Company, N.A., from its affiliate, The Bank of New York Mellon which determines such values for Corporate Trust on the basis of market prices and information obtained by The Bank of New York Mellon from unaffiliated third parties (including independent pricing vendors) ("third party pricing services"). The Bank of New York Mellon has not verified such market values or information and makes no assurances as to the accuracy or correctness of such market values or information or that the market values set forth on this Account Statement reflect the value of the securities that can be realized upon the sale of such securities. In addition, the market values for the securities set forth in this Account Statement may differ from the market prices and information for the same securities used by other business units of The Bank of New York Mellon Trust Company, N.A., The Bank of New York Mellon or their respective subsidiaries or affiliates based on market prices and information received from other third party pricing services utilized by such other business units. Corporate Trust does not compare its market values with those used by, or reconcile different market values used by, other business units of The Bank of New York Mellon Trust Company, N.A., The Bank of New York Mellon or their respective subsidiaries or affiliates. Neither The Bank of New York Mellon Trust Company, N.A. nor The Bank of New York Mellon shall be liable for any loss, damage or expense incurred as a result of or arising from or related to the market values or information provided by third party pricing services or the differences in market prices or information provided by other third party pricing services.

5 0000 m 1 P03 5

**Local Agency Investment Fund**  
**P.O. Box 942809**  
**Sacramento, CA 94209-0001**  
**(916) 653-3001**

[www.treasurer.ca.gov/pmia-laif/laif.asp](http://www.treasurer.ca.gov/pmia-laif/laif.asp)  
 May 25, 2017

S/A CITY OF NATIONAL CITY FOR NATIONAL  
 CITY REDEVELOPMENT AGENCY  
 FINANCE DIRECTOR  
 1243 NATIONAL CITY BLVD  
 NATIONAL CITY, CA 91950

**PMIA Average Monthly Yields**

Account Number:  
 65-37-014

**Tran Type Definitions**

April 2017 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
4/14/2017	4/13/2017	QRD	1534457	SYSTEM	16,366.01

**Account Summary**

Total Deposit:	16,366.01	Beginning Balance:	8,554,520.87
Total Withdrawal:	0.00	Ending Balance:	8,570,886.88



BETTY T. YEE

California State Controller

LOCAL AGENCY INVESTMENT FUND  
REMITTANCE ADVICE

Agency Name S/A CTY NATIONAL CTY

Account Number 65-37-014

As of 04/14/2017, your Local Agency Investment Fund account has been directly credited with the interest earned on your deposits for the quarter ending 03/31/2017.

Earnings Ratio		.00002126194403179
Interest Rate		0.78%
Dollar Day Total	\$	769,732,321.02
Quarter End Principal Balance	\$	8,554,520.87
Quarterly Interest Earned	\$	16,366.01

The following page(s) contain the backup material for Agenda Item: Successor Agency Warrant Register #44 for the period of 04/26/17 through 05/02/17 in the amount of \$6,862.83. (Finance)

**SUCCESSOR AGENCY TO  
THE COMMUNITY DEVELOPMENT COMMISSION  
AS THE NATIONAL CITY REDEVELOPMENT AGENCY  
AGENDA STATEMENT**

**MEETING DATE:** June 20, 2017

**AGENDA ITEM NO. |**

**ITEM TITLE:**

Successor Agency Warrant Register #44 for the period of 04/26/17 through 05/02/17 in the amount of \$6,862.83. (Finance)

**PREPARED BY:** K. Apalategui

**DEPARTMENT:** Finance

**PHONE:** 619-336-4572

**APPROVED BY:** Mark Rabinto

**EXPLANATION:**

Pursuant to ABX1 26, all redevelopment agencies in the State of California were dissolved as of February 1, 2012. Upon dissolution of the City of National City's Redevelopment Agency, the City assumed the role of Successor Agency to the Community Development Commission as the National City Redevelopment Agency ("Successor Agency").

In order to streamline the payment process, all check-paid expenses of the Successor Agency are paid by the City. The Successor Agency then reimburses the City. Successor Agency wires are paid directly from the Successor Agency account.

Attached is a detailed listing of all Successor Agency expenses for the period, which total \$6,862.83. Staff requests approval of payments of Successor Agency expenses.

**FINANCIAL STATEMENT:**

**APPROVED:** Mark Rabinto Finance

**ACCOUNT NO.**

**APPROVED:** \_\_\_\_\_ MIS

Reimbursement total \$6,862.83.

**ENVIRONMENTAL REVIEW:**

This is not a project and, therefore, not subject to environmental review.

**ORDINANCE:** INTRODUCTION:  FINAL ADOPTION:

**STAFF RECOMMENDATION:**

Ratification of reimbursement in the amount of \$6,862.83

**BOARD / COMMISSION RECOMMENDATION:**

N/A

**ATTACHMENTS:**

Successor Agency Warrant Register #44



**SUCCESSOR AGENCY  
WARRANT REGISTER #44  
5/2/2017**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
GEOSYNTEC CONSULTANTS INC	EDUCATION VILLAGE PROJECT	328688	5/2/17	6,862.83
			<b>A/P Total</b>	<b>\$ 6,862.83</b>
		<b>GRAND TOTAL</b>		<b>\$ 6,862.83</b>

The following page(s) contain the backup material for Agenda Item: Successor Agency Warrant Register #45 for the period of 05/03/17 through 05/09/17 in the amount of \$0.00. (Finance)

**SUCCESSOR AGENCY TO  
THE COMMUNITY DEVELOPMENT COMMISSION  
AS THE NATIONAL CITY REDEVELOPMENT AGENCY  
AGENDA STATEMENT**

**MEETING DATE:** June 20, 2017

**AGENDA ITEM NO.:** [ ]

**ITEM TITLE:**

Successor Agency Warrant Register #45 for the period of 05/03/17 through 05/09/17 in the amount of \$0.00. (Finance)

**PREPARED BY:** K. Apalategui  
**PHONE:** 619-336-4572

**DEPARTMENT:** Finance

**APPROVED BY:** Mark Ralvito

**EXPLANATION:**

Pursuant to ABX1 26, all redevelopment agencies in the State of California were dissolved as of February 1, 2012. Upon dissolution of the City of National City's Redevelopment Agency, the City assumed the role of Successor Agency to the Community Development Commission as the National City Redevelopment Agency ("Successor Agency").

In order to streamline the payment process, the City pays all expenses of the Successor Agency. The Successor Agency then reimburses the City.

No Successor Agency Warrants issued for the period of 05/03/17 – 05/09/17.

**FINANCIAL STATEMENT:**

**APPROVED:** Mark Ralvito Finance

**ACCOUNT NO.**

**APPROVED:** \_\_\_\_\_ MIS

Reimbursement total \$0.00.

**ENVIRONMENTAL REVIEW:**

This is not a project and, therefore, not subject to environmental review.

**ORDINANCE:** INTRODUCTION: [ ] **FINAL ADOPTION:** [ ]

**STAFF RECOMMENDATION:**

Ratification of reimbursement in the amount of \$0.00.

**BOARD / COMMISSION RECOMMENDATION:**

N/A

**ATTACHMENTS:**

Successor Agency Warrant Register #45



The following page(s) contain the backup material for Agenda Item: Successor Agency Warrant Register #46 for the period of 05/10/17 through 05/16/17 in the amount of \$1,500.00. (Finance)

**SUCCESSOR AGENCY TO  
THE COMMUNITY DEVELOPMENT COMMISSION  
AS THE NATIONAL CITY REDEVELOPMENT AGENCY  
AGENDA STATEMENT**

**MEETING DATE:** June 20, 2017

**AGENDA ITEM NO. |**

**ITEM TITLE:**

Successor Agency Warrant Register #46 for the period of 05/10/17 through 05/16/17 in the amount of \$1,500.00. (Finance)

**PREPARED BY:** K. Apalategui  
**PHONE:** 619-336-4572

**DEPARTMENT:** Finance

**APPROVED BY:** Mark Ralento

**EXPLANATION:**

Pursuant to ABX1 26, all redevelopment agencies in the State of California were dissolved as of February 1, 2012. Upon dissolution of the City of National City's Redevelopment Agency, the City assumed the role of Successor Agency to the Community Development Commission as the National City Redevelopment Agency ("Successor Agency").

In order to streamline the payment process, all check-paid expenses of the Successor Agency are paid by the City. The Successor Agency then reimburses the City. Successor Agency wires are paid directly from the Successor Agency account.

Attached is a detailed listing of all Successor Agency expenses for the period, which total \$1,500.00. Staff requests approval of payments of Successor Agency expenses.

**FINANCIAL STATEMENT:**

**APPROVED:** Mark Ralento Finance

**ACCOUNT NO.**

**APPROVED:** \_\_\_\_\_ MIS

Reimbursement total \$1,500.00.

**ENVIRONMENTAL REVIEW:**

This is not a project and, therefore, not subject to environmental review.

**ORDINANCE:** INTRODUCTION:  FINAL ADOPTION:

**STAFF RECOMMENDATION:**

Ratification of reimbursement in the amount of \$1,500.00

**BOARD / COMMISSION RECOMMENDATION:**

N/A

**ATTACHMENTS:**

Successor Agency Warrant Register #46



**SUCCESSOR AGENCY  
WARRANT REGISTER #46  
5/16/2017**

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>CHK NO</u>	<u>DATE</u>	<u>AMOUNT</u>
US BANK	ADMIN FEES 3/1/17 - 2/28/18	328984	5/16/17	1,500.00
			<b>A/P Total</b>	<b>\$ 1,500.00</b>
		<b>GRAND TOTAL</b>		<b>\$ 1,500.00</b>

The following page(s) contain the backup material for Agenda Item: Resolution of the Board of Directors of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency authorizing the issuance and sale of tax allocation refunding bonds in an amount of not to exceed \$58,000,000 an

**SUCCESSOR AGENCY TO  
THE COMMUNITY DEVELOPMENT COMMISSION  
AS THE NATIONAL CITY REDEVELOPMENT AGENCY  
AGENDA STATEMENT**

**MEETING DATE:** June 20, 2017

**AGENDA ITEM NO.** \_\_\_\_\_

**ITEM TITLE:**

Resolution of the Board of Directors of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency authorizing the issuance and sale of tax allocation refunding bonds in an amount of not to exceed \$58,000,000 and approving the form of an indenture of trust, a form of escrow agreement and a continuing disclosure certificate and authorizing certain other actions in connection therewith

**PREPARED BY:** Brad Raulston

**DEPARTMENT:** Successor Agency

**PHONE:** (619) 336-4256

**APPROVED BY:** \_\_\_\_\_

**EXPLANATION:**

The Successor Agency has three outstanding series of tax allocation bonds (TABs), the 1999s, the 2005Bs and the 2011s with a combined principal balance of \$49,395,000. Staff's analysis, in conjunction with its financial advisor, NHA Advisors, indicates that interest savings may be achieved by refunding (refinancing) these bonds. Adopting the resolution will authorize staff to begin the process of refunding the bonds. If the Successor Agency Board adopts the resolution, the action is subject to Oversight Board and State Department of Finance approvals. Assuming these approvals are secured, staff would return to the Successor Agency Board in September with the final proposed structuring options, including staff's recommendation, for the refunding. Please see attached staff report for more information.

**FINANCIAL STATEMENT:**

**APPROVED:** \_\_\_\_\_ **Finance**

**ACCOUNT NO.**

**APPROVED:** \_\_\_\_\_ **MIS**

If authorized, the proposed refunding would result in savings in interest expense for the Successor Agency.

**ENVIRONMENTAL REVIEW:**

Pursuant to Title 15 of the California Code of Regulations, Section 15378(b)(4), this item is not subject to the California Environmental Quality Act review because the recommended approvals are not considered a project and are governmental funding mechanisms and fiscal activities that do not involve any commitment to any specific project that may result in a potentially significant environmental impact.

**ORDINANCE: INTRODUCTION:**

**FINAL ADOPTION:**

**STAFF RECOMMENDATION:**

Adopt the resolution and submit the proposed refunding to the Oversight Board for approval and subsequent submittal to the State Department of Finance.

**BOARD / COMMISSION RECOMMENDATION:**

N/A

**ATTACHMENTS:**

- |  |  |
|--|--|
| 1. Staff Report                          | 4. Exhibit B: Form of Prior Bonds Escrow Agreement         |
| 2. Resolution                            | 5. Exhibit C: Form of Continuing Disclosure Certificate    |
| 3. Exhibit A: Form of Indenture of Trust | 6. Exhibit D: Estimated Sources and Uses/ Savings Analysis |



## Successor Agency Staff Report

June 20, 2017

### ITEM

Resolution of the Board of Directors of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency authorizing the issuance and sale of tax allocation refunding bonds in an amount of not to exceed \$58,000,000 and approving the form of an indenture of trust, a form of escrow agreement and a continuing disclosure certificate and authorizing certain other actions in connection therewith.

### BACKGROUND

The Agency has three series of bonds on its Recognized Obligation Payment Schedule: the 1999 Tax Allocation Housing Bonds ("1999 Bonds"), the 2005B Tax Allocation Bonds ("2005 Bonds") and the 2011 Tax Allocation Bonds ("2011 Bonds") (collectively, "Prior Obligations"). The bond proceeds from the 1999 Bonds were used to finance a loan for an affordable housing project. Bond proceeds from the 2005 Bonds were used to refinance previously issued bonds and the proceeds from the 2011 Bonds were used primarily to finance grants for the construction of low and moderate income housing within the redevelopment project area of the Agency. The 1999 Bonds have an outstanding balance of \$3,085,000 and interest rates ranging from 5.00% to 5.125%, the 2005 Bonds have an outstanding balance of \$9,080,000 and interest rates ranging from 4.00% to 5.25%, and the 2011 Bonds have an outstanding balance of \$37,230,000 and remaining interest rates ranging from 5.00% to 7.00%. The Prior Obligations mature between 2018 and 2032 with total remaining debt service of approximately \$74.1 million.

The 1999 and 2005 Bonds may be called on any date at this time, and the 2011 Bonds can be called on any date on or after August 1, 2021. Current market interest rates are estimated at approximately 3.50% and are well below the existing bond rates and can produce lower debt service and therefore additional property tax cash flow to the taxing entities and the City of National City ("City").

### DISCUSSION

City staff has been working with its financial advisor, NHA Advisors, to analyze and evaluate the refinancing opportunity for the Agency's outstanding bonds. NHA Advisors has worked with the City on another assignment and has executed approximately 20 similar refinancing transactions in the past 2 years.

Since the elimination of redevelopment, the State has allowed for refinancing through AB 1484 (Health and Safety Code 34177.5), allowing a Successor Agency to issue bonds provided certain factors are met. Requirements include no additional interest cost and no additional principal other than the amount needed to redeem the outstanding bonds, pay for issuance costs, and meet required debt service reserves.

Based on analysis provided by various financial institutions and reviewed by our financial advisor, it was determined that there is sufficient interest rate savings to justify beginning the approval process for issuing refunding bonds. As part of AB 1484, there are multiple steps involved in receiving approval and issuing any refunding bonds.

The steps necessary to issue Refunding Bonds include the following:

- Successor Agency Board approval of Refunding Bond documents
- Oversight Board approval of Refunding Bonds
- State Department of Finance approval of financing plan and Refunding Bonds
- Drafting and approval by Successor Agency Board of Refunding Bond Official Statement required to sell bonds
- If necessary, Refunding Bonds credit and rating process
- Sale of Refunding Bonds
- Close Financing and redeem old bonds

The next steps to move this transaction forward are to finalize the Financial Advisor's Savings Report and send it with this Agency Board and Oversight Board approved form of Indenture and other documents to the California Department of Finance (DOF). DOF will then have 65 days to review and approve of the Agency Board's and Oversight Board's actions. At that time, the Bonds can be sold to investors and rates and terms locked in. During the 65-day period, the finance team will evaluate whether a direct placement to a bank or a public offering to the municipal marketplace will be utilized. If a public offering is deemed to be the best option, then an investor disclosure prospectus known as a "preliminary official statement" (POS) will be developed and put before the Agency Board for its approval. Staff will return to the Successor Agency Board in early September for final approval of this POS and to communicate the final proposed structuring options, including staff's recommendation, for terms of the refunding.

By approving the Resolution, the Agency Board will authorize approval of the form of the Indenture which is the document that sets the terms and conditions of the bond transaction. These terms will be finalized upon the actual sale of the bonds to investors and that is the time when a bond purchase agreement will be executed which will set the final interest rates, redemption provisions and other terms. It is anticipated that with Agency Board approval of the Resolution, the sale and closing of the Refunding Bonds could be completed by September 2017.

## **FISCAL IMPACT**

Based on current market rates, a refinancing of the outstanding bonds that retains the current final maturity date of August 2032 would generate over \$3.5 million of present value savings, or 7.6% of refunded par amount. See Exhibit D. This equates to \$6.0 million in cash flow savings through Fiscal Year 2033, or \$750,000 annually, which would be divided among the taxing entities.

The estimated savings shown in Exhibit D assumes that debt service is structured to generate level annual savings through the current maturity of the Bonds, but can ultimately be structured in a variety

of ways to best meet the City's objectives. Staff will be working with NHA to evaluate all structuring options, including level savings, upfront savings, and deferred savings through a shortening of the maturity.

**RECOMMENDATION**

Adopt the resolution and direct staff to submit the proposed refunding to the Oversight Board for approval and subsequent submittal to the State Department of Finance.